

WaiversFirst Name Last Name Claim Number  
[REDACTED] [REDACTED] W-18-0041  
Amount OGC Received Date Assigned To Assigned Date  
\$8849.92 08/09/2018 Rich, Stephanie 08/10/2018  
EPA Decision EPA Decision Date Amount Approved Status  
APPROVED 01/03/2020 \$8849.92 CLOSED  
Appeal Comments  
No From: Redden, Kenneth <Redden.Kenneth@epa.gov>  
Sent: Friday, January 03, 2020 2:57 PM  
To: [REDACTED]  
Cc: Sisson, Ann <Sisson.Ann@epa.gov>; Rich, Stephanie  
<Rich.Stephanie@epa.gov>; Church, Stacey <Church.Stacey@epa.gov>; Stewart,  
Leonice <Stewart.Leonice@epa.gov>; Lavergne, Dany <lavergne.dany@epa.gov>;  
Tammy Johnson <tammy\_johnson@ibc.doi.gov>  
Subject: Waiver Request Debt ID #M1814100002

Dear [REDACTED]:

This email is being sent in response to your request for a waiver of Debt ID M1814100002 in the amount of \$8,849.92. For the reasons set forth below, your request for a waiver is granted.

#### Background

The information you submitted with your waiver request shows that an administrative error occurred when you were hired in June 2015. Specifically, your Notification of Personnel Action Form (SF-50) at the time you were hired indicated that you were covered by the retirement plan "FERS & FICA," coded as "K". Under this retirement plan, contributions were deducted from your salary at the rate of 0.8% beginning with your first paycheck in June 2015 until the error was corrected in March 2018.

After attending a retirement seminar in February 2018, you discovered that, upon hiring, Human Resources incorrectly placed you in the retirement plan "FERS & FICA" instead of the "FERS-FRAE & FICA" plan. An employee's contribution rate for FERS-FRAE is 4.4% as opposed to 0.8% under FERS. As a result of having contributed a lower rate while placed in the incorrect retirement plan, a retroactive correction processed by EPA's Office of Human Resources on March 20, 2018 caused a debt. IBC sent you an invoice dated May 21, 2018 in the amount of \$8,849.92.

#### Analysis

Under 5 U.S.C. §5584, I have the authority to waive collection of erroneous payments or allowances, if collection would be against equity

and good conscience and not in the best interest of the United States, provided there is no indication of fraud, fault, misrepresentation or lack of good faith on the part of the employee. Matter of Robert L. Rancourt, 1990 U.S. Comp. Gen. LEXIS 1053 (Comp. Gen. Oct. 9, 1990). An employee is deemed to be at fault and waiver is precluded if the employee is aware or should have been aware that he or she was being overpaid. B-271308, April 18, 1996. In the present case, I find that the erroneous reduced deductions were caused by Agency administrative error in processing your SF-50 appointment document. Therefore, the only issue before me is whether you knew or should have known that you were placed in the wrong retirement plan.

In my review of the documents of the record, I find that you neither knew nor reasonably could have known you were erroneously placed into the wrong retirement plan. While federal employees are expected to be familiar with the Federal Employee Retirement System (FERS), it is not expected that they would know that two new retirement systems were introduced in 2013 and 2014, FERS-RAE and FERS-FRAE, which affected the rate of deduction, but did not otherwise change retirement eligibility or the annuity computation. It is reasonable for you to have relied on the Agency to place you in the correct retirement plan.

Accordingly, all criteria for waiver of this claim have been met, and this request for waiver is approved in the amount of \$8,849.92. By copy of this email, I am advising OCFO to work with IBC to waive repayment and to refund to you any money that was already paid by you toward this debt.

Type  
Federal Employee Retirement System (FERS)

Attachments  
Hi Lucille,

I realize you are out, but I'm assigning this to you. Please enter it into the database. Thank you.

From: Henderson, Jessica  
Sent: Thursday, August 09, 2018 3:37 PM  
To: Redden, Kenneth <Redden.Kenneth@epa.gov>  
Subject: In-Service Payroll Debt- [REDACTED]

Good Afternoon,

Please see attachment for [REDACTED] requesting a waiver for debt she

owes regarding change in retirement code K to KF. I have included the waiver request form along with supporting documents.

Thank you,  
Jess Henderson,  
Accountant  
US Environmental Protection Agency  
Account Receivable Branch:  
Cincinnati Finance Office  
Phone: (513) 487- 2718  
Fax: (513) 487- 2063